

104TH CONGRESS
2D SESSION

H. R. 4337

To amend the Truth in Lending Act to prohibit extensions of credit under any open end consumer credit plan the proceeds of which the creditor knows or has reason to believe are being used or will be used by the consumer to make any form of wager or bet, to play any game of chance, or use any gambling device, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 1, 1996

Mr. LAFALCE introduced the following bill; which was referred to the
Committee on Banking and Financial Services

A BILL

To amend the Truth in Lending Act to prohibit extensions of credit under any open end consumer credit plan the proceeds of which the creditor knows or has reason to believe are being used or will be used by the consumer to make any form of wager or bet, to play any game of chance, or use any gambling device, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gambling Credit Re-
5 form Act”.

1 **SEC. 2. PROHIBITIONS ON EXTENSIONS OF CREDIT FOR**
2 **GAMBLING.**

3 (a) IN GENERAL.—Chapter 2 of the Truth in Lend-
4 ing Act (15 U.S.C. 1631 et seq.) is amended by adding
5 at the end the following new section:

6 **“SEC. 140. PROHIBITIONS ON EXTENSIONS OF CREDIT FOR**
7 **GAMBLING.**

8 “(a) IN GENERAL.—No creditor may extend any
9 credit to any consumer under any open end consumer
10 credit plan if the creditor knows or has reason to believe
11 that the proceeds of such extension of credit are being
12 used or will be used by the consumer to make any form
13 of wager or bet, to play any game of chance, to use any
14 gambling device, or to otherwise participate in gambling
15 at any gambling establishment.

16 “(b) DEFINITIONS.—For purposes of this section, the
17 following definitions shall apply:

18 “(1) GAMBLING DEVICE.—The term ‘gambling
19 device’ has the meaning given to such term in sec-
20 tion 41311(b) of title 49, United States Code.

21 “(2) GAMBLING ESTABLISHMENT.—The term
22 ‘gambling establishment’ has the meaning given to
23 such term in section 1081 of title 18, United States
24 Code.”.

25 (b) CLERICAL AMENDMENT.—The table of sections
26 for chapter 2 of the Truth in Lending Act is amended

- 1 by inserting after the item relating to section 139 the fol-
- 2 lowing new item:

“140. Prohibitions on extensions of credit for gambling.”.

